

EMBARGOED UNTIL 2 P.M.
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N. CINNAMON DORNSIFE

Nomination
To be
United States Executive Director for the Asian Development Bank

SENATE COMMITTEE ON FOREIGN RELATIONS

Mr. Chairman, Mr. Ranking Member, and Members of the Committee, I am honored to appear before this committee as the nominee for the position of United States Executive Director for the Asian Development Bank.

My interest in Asia and the Pacific extends back for more than twenty years. My life's work has been devoted to working on issues affecting Asia and the Pacific, as well as the promotion of deeper understanding between the United States and Asia. I have extensive experience in the region, have lived in Asia for twelve years, and speak two Asian languages, Bahasa Indonesia and Filipino. After graduating from the Johns Hopkins School of Advanced International Studies in 1977, I worked with the Office of International Cooperation and Development at the U.S. Department of Agriculture as a Technical Assistance Officer in Asia Programs. I then researched integrated rural development issues at the World Bank before joining the Asia Foundation in 1979, where I worked for thirteen years, including six years in the Indonesia field office in Jakarta. In 1992, I joined the U.S.- Asia Environmental Partnership Program, a Bush Administration initiative linking U.S. and Asian businesses, governments and non-governmental organizations to address shared environmental problems.

Since joining the U.S. office at the ADB in 1994 as the U.S. Alternate Executive Director, I have been privileged to be a member of the team that has made a real difference in the way the Bank operates. I have seen the Bank become a more transparent and accountable institution, emphasizing performance-based assistance, improving project quality, and increasing beneficiary participation. The Board has approved nearly fifty new policies, including anti-corruption, good governance, and information disclosure, and in September 1999 reaffirmed poverty reduction as the Bank's overarching mandate.

In partnership with the IMF and the World Bank, the Asian Development Bank was a leader in addressing the financial crisis that struck Asia in 1997, both in supporting policy-based reforms in the financial sectors, and in addressing the far-reaching social costs of the crisis, through the provision of safety nets in the most severely affected countries.

Based in large part on the findings of a Board mission led by my predecessor, former U.S. Executive Director Linda Tsao Yang, the Bank is refocusing and revitalizing its private sector development strategy. As the Bank's own resources are dwarfed by the massive domestic and international investment flows to the region, this strategy presents an opportunity to catalyze additional resources to address the development needs of the region.

With the strong support of the U.S. Executive Director's office, U.S. businesses have played a key role in the Bank's activities, ranking first among member countries in procurement to the Bank for the period 1995-1999.

U.S. Treasury Secretary Summers, in a statement to the Development Committee of the World Bank and the IMF in September 1999, outlined four basic conditions for sustainable development and poverty reduction:

1. **Sound and transparent economic management**, including market-encouraging macro-economic policies conducive to private enterprise, and financially viable banking institutions;
2. A **policy framework which focuses U.S. more on poverty considerations** by integrating poverty reduction and growth objectives;
3. **Priority attention to human development**, particularly the provision of far stronger and more efficient basic education and health services to equip the poor to respond more effectively as opportunities improve;
4. **Good governance**, including fully functioning institutions incorporating transparency, accountability, the rule of law, and participation of civil society.

If given the opportunity to serve as the U.S. Executive Director, I would draw on my past experiences, especially my six years as Alternate Executive Director, and my more than twenty years' association with the region, to work to further strengthen the implementation of this strategic vision for sustainable development and poverty reduction in the Asia Pacific region.

Thank you for your attention and consideration. I look forward to answering any questions you may have.